BEFORE THE FEDERAL COMMUNICATIONS COMMISSION WASHINGTON, D.C. 20554

In the Matter of)
Provision of Directory Listing Information Under the Communications Act of 1934, As Amended))) CC Docket No. 99-273)
The Use of N11 Codes and Other Abbreviated Dialing Arrangements)) CC Docket No. 92-105)
Administration of the North American Numbering Plan) CC Docket No. 92-237

COMMENTS OF THE OKLAHOMA CORPORATION COMMISSION REGARDING THE RETAIL DIRECTORY ASSISTANCE MARKET

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Comments of the Oklahoma Corporation Commission

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Comments due April 1, 2002

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I. INTRODUCTION

Pursuant to the Notice of Proposed Rulemaking (NPRM) released January 9, 2002, in the

above-captioned proceeding, the Oklahoma Corporation Commission ("OCC") respectfully

submits comments. In the NPRM, the Federal Communications Commission ("FCC" or

"Commission"), inter alia, seeks comment on proposed methods of promoting competition and

choice in the retail directory assistance ("DA") market, in accordance with the pro-competitive,

de-regulatory national policy framework set forth in the Telecommunications Act of 1996

("Act"), and as the Commission announced in the Local Competition Second Report and

Order 2.

The OCC supports the FCC's efforts in initiating a review of the Commission's policies on the

regulation of local DA. Specifically, the OCC supports the Commission's efforts to promote

retail DA competition. The OCC urges the Commission to take into account the interests of

end-users as they review their policies on DA regulation. The OCC believes that further

regulatory action would create a competitive environment, and that additional steps are

needed to enable all competitors to have the opportunity for access to customers. The

OCC believes that implementation of 411 presubscription could be a means that would

accomplish that goal, provided that it is in the best interest of end- users and is something

that the end-user wants.

¹ Telecommunications Act of 1996, Pub. L. No. 104-104, 110 Stat. 56, codified at 47 U.S.C.§§251 et seq; see 47 U.S.C.

§251(d)(3).

² Implementation of the Local Competition Provisions of the Telecommunications Act of 1996, CC Docket No. 96-98, *Second Report and Order and Memorandum Opinion and Order*, 11FCC Rcd 19392 (1996) (*Local Competition*

Second Report and Order).

II. DISCUSSION

A. Competition in the Retail DA Market

The FCC seeks comment as to whether the current level of competition in the retail DA

market indicates that Local Exchange Company ("LEC") control of the 411 dialing code is a

barrier to competition. The OCC believes that the retail DA market is not sufficiently open to

competition and that if competition will benefit the end-user, further regulatory action is

necessary to ensure that the cost justify the means. The switch provider's exclusive control of

the universally recognized 411 dialing code requires their involvement when a competitor

chooses to enter the retail DA market. Once a customer selects a LEC for local

telecommunications service, the customer's call to 411 is directed to the LEC's choice of a

local DA provider. The only competition that possibly exists in the DA market is in the

wholesale area. The OCC believes that additional information is needed to determine the

cost and consumer issues associated with developing a competitive retail local DA market.

The OCC believes that only after further analysis has been performed regarding the cost

effectiveness and benefit to end-users, should further regulatory action be taken to create a

competitive environment.

B. 411 Presubscription Proposal

The OCC believes the 411 presubscription proposal utilizing Advanced Intelligent Network

("AIN"), as described in the NPRM, is a reasonable and technically feasible option to

consider. AIN would allow for the rapid deployment of customized services, consistent

across different vendors' switch platforms. The OCC realizes that 411 presubscription may

raise cost issues, especially in cases where central offices are not properly equipped to

utilize the N11 trigger. However, the Telecommunications Industry would be in a better

position to address cost issues, and further analysis should be done to determine the cost

effectiveness of 411 presubscription. The OCC urges the Commission to request LECs to

survey their customers about choice in DA providers to determine if any regulatory change

is even necessary. Consumers will want to know what effect, if any, local DA competition

will have on their monthly telephone bill.

As the FCC contemplates implementation of 411 presubscription, the OCC urges the FCC to

first determine if end-users want a choice of local DA providers, and if so, what are the

anticipated costs. Will end-users be required to pay any additional charges? The OCC urges

the Commission to request, from industry, further research to address these consumer-

related issues. If, after further analysis, the Commission determines that local DA competition

is needed and is cost effective, the OCC then urges the Commission to: (1) assign 411 as the

nationwide abbreviated dialing code for access to retail directory assistance since it is

already considered the standard and commonly used by all, (2) allow 411 presubscription to

be an option for LECs with AIN capabilities, and (3) use the basic presubscription

methodology called 2-PIC, which the FCC adopted for implementation of IntraLATA toll

presubscription in its Local Competition Second Report and Order,3 to serve as a model for

selecting an alternative local DA provider.

³ Local Competition Second Report and Order, 11 FCC Rcd at 19418-20

The OCC is aware that if 411 presubscription is implemented, there will be potential

opportunities for slamming and cramming as the DA providers are given direct access to

market to end-users. As such, the OCC believes that the rules in place that address these

problems will be adequate to resolve such complaints. If not, the rules can be modified as

needed.

In addition, the OCC believes that DA billing could utilize the same type of process that

was used by the LECs in billing long distance service. ILECs have the experience of

providing billing and collection service and thus may have ways of keeping the costs of

implementation reasonable. 411 Presubscription, if implemented, would be available to all

consumers. However, if the consumer does not make a choice, the consumer should

remain with the original provider of the service. This proposal requires some sort of

positive action on the part of the end-user.

C. State Regulatory Guidelines

The FCC seeks comments on the effect of 411 presubscription, 411 elimination, enhanced

DA services, national 555 numbers, carrier access codes, and 411XX numbers on traditional

and existing state regulation. The current OCC guidelines now distinguish between national

DA and local DA. Having previously determined that national DA is competitive,

telecommunication service providers in Oklahoma currently have pricing flexibility with regards

to national DA. For ILECs that have opted into Alternative Regulation (Oklahoma Plan),

there is additional pricing flexibility available for local DA providers. Oklahoma, like other

states, currently has DA guidelines in place to ensure quality of service, speed of answer,

price, and number of free calls per month. The OCC applies the same guidelines to all

telecommunications carriers providing DA services, not just ILECs. To guarantee consistency

on a national level, the OCC believes it would be essential for the FCC to establish minimum

regulatory guidelines so that the same regulations apply to all DA competitors, regardless of

market share or where they operate. In addition, the OCC believes it is necessary to continue

to regulate any entity providing local DA on retail basis to ensure that the pro-competitive

goals of the Act are accomplished.

III. CONCLUSION

The OCC commends the FCC's efforts to determine the status of competition in the retail DA

market, and solicit comments on the various proposed methods to promote DA competition

and choice. Before the FCC takes further action to enhance competition in the local DA retail

market, the OCC urges the FCC to direct industry to initiate further analysis to determine the

needs of end-users and the cost effectiveness of the changes. If the data shows that end-

users desire a choice of local DA providers, and that choice is cost effective, the OCC then

urges the FCC to pursue that goal and to adopt 411 as the nationwide abbreviated dialing

code for access to retail DA, and allow 411 presubscription for those LECs that have AIN

capabilities and the desires of their end-users to implement the necessary changes. Finally,

the OCC advocates the establishment of federal minimum regulatory guidelines that are

applicable to all providers of local DA, while allowing state commissions to expand upon and

take into account state specific conditions.